

University of Arizona - Main Campus

	FY 2013 ACTUAL	FY 2014 ESTIMATE	FY 2015 BASELINE
OPERATING BUDGET			
<i>Full Time Equivalent Positions</i>	5,365.0	5,365.0	5,365.0
Personal Services	255,246,700	260,695,700	260,695,700
Employee Related Expenditures	83,993,400	86,879,800	86,879,800
Professional and Outside Services	2,539,200	2,888,500	2,888,500
Travel - In State	87,000	87,700	87,700
Travel - Out of State	462,900	70,900	70,900
Other Operating Expenditures	61,667,600	56,224,400	56,224,400
Equipment	2,011,500	1,750,000	1,750,000
OPERATING SUBTOTAL	406,008,300	408,597,000	408,597,000
SPECIAL LINE ITEMS			
Agriculture	36,957,300	37,189,100	37,189,100
Arizona Cooperative Extension	12,614,500	12,525,900	12,525,900
Freedom Center	0	500,000	500,000
Research Infrastructure Lease-Purchase Payment	14,253,000	14,253,000	14,253,000
Sierra Vista Campus	5,400,100	6,943,700	6,943,700
AGENCY TOTAL	475,233,200	480,008,700	480,008,700
FUND SOURCES			
General Fund	207,555,900	208,501,000	208,501,000
<u>Other Appropriated Funds</u>			
University Collections Fund	267,677,300	271,507,700	271,507,700
SUBTOTAL - Other Appropriated Funds	267,677,300	271,507,700	271,507,700
SUBTOTAL - Appropriated Funds	475,233,200	480,008,700	480,008,700
Other Non-Appropriated Funds	854,266,300	879,757,800	881,711,000
Federal Funds	278,807,800	290,399,200	292,794,400
TOTAL - ALL SOURCES	1,608,307,300	1,650,165,700	1,654,514,100

AGENCY DESCRIPTION — Established in 1885, The University of Arizona (UA) is one of 3 public universities governed by the Arizona Board of Regents (ABOR). As a primary research institution, UA offers 356 degree-programs to approximately 40,621 full- and part-time students in 39 colleges and schools at its Main Campus in Tucson. Upon its establishment, UA received the federal land grant for Arizona, allowing the creation of agricultural and mining programs that continue today. UA-South is a branch campus of the university in Sierra Vista.

Operating Budget

The Baseline includes \$408,597,000 and 4,622.1 FTE Positions in FY 2015 for the operating budget. These amounts consist of:

	FY 2015
General Fund	\$151,189,300
University Collections Fund	257,407,700

These amounts are unchanged from FY 2014.

Student enrollment growth and tuition and fee increases for students will contribute to an increase in university tuition and fee collections and the University Collections Fund amount will ultimately be adjusted to reflect these additional

revenues. (See the Arizona Board of Regents (ABOR) narrative for a discussion of performance funding.)

Agriculture

The Baseline includes \$37,189,100 and 515.1 FTE Positions in FY 2015 for the Agriculture Programs. These amounts consist of:

General Fund	28,962,300
University Collections Fund	8,226,800

These amounts are unchanged from FY 2014.

This line item supports agricultural academic programs in Animal Systems; Environment and Natural Resources; Family, Youth, and Community; Human Nutrition, Food

Safety and Health; Marketing, Trade, and Economics; and Plant Systems.

Arizona Cooperative Extension

The Baseline includes \$12,525,900 and 155.1 FTE Positions in FY 2015 for the Arizona Cooperative Extension. These amounts consist of:

General Fund	10,826,100
University Collections Fund	1,699,800

These amounts are unchanged from FY 2014.

This line item supports Agriculture Experiment Stations and Cooperative Extension services that provide non-credit community outreach seminars and youth programs throughout the state.

Freedom Center

The Baseline includes \$500,000 from the General Fund in FY 2015 for the Freedom Center. This amount is unchanged from FY 2014.

This line item supports the Freedom Center, which is within the UA College of Social and Behavioral Sciences. The Freedom Center’s functions include: published research, undergraduate education, graduate education, and community outreach.

Research Infrastructure Lease-Purchase Payment

The Baseline includes \$14,253,000 from the General Fund in FY 2015 for the Research Infrastructure Lease-Purchase Payment Special Line Item. This amount is unchanged from FY 2014.

Laws 2003, Chapter 267 appropriated a total of \$34,625,000 from the General Fund to the state university system from FY 2008 through FY 2031 to finance lease-purchase payments for research infrastructure project agreements entered into before July 1, 2006. Therefore, this funding does not appear in the General Appropriation Act. In total, the universities have issued \$482,500,000 in Certificates of Participation for research infrastructure projects.

Sierra Vista Campus

The Baseline includes \$6,943,700 and 72.7 FTE Positions in FY 2015 for the Sierra Vista Campus. These amounts consist of:

General Fund	2,770,300
University Collections Fund	4,173,400

These amounts are unchanged from FY 2014.

UA-South offers upper-division undergraduate programs in 16 disciplines for community college transfer students. While ABOR authorized this UA branch campus for Sierra Vista in 1995, the Legislature has not formally established the campus in statute.

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FORMAT — Operating Lump Sum with Special with Special Line Items by Agency

FOOTNOTES

Standard Footnotes (Please see ABOR for universitywide standard footnotes.)

It is the intent of the Legislature that the General Fund base funding for University of Arizona - Main Campus is \$208,501,000, which includes a deferral of \$62,153,100 from FY 2015 to FY 2016 and the \$14,253,000 lease-purchase appropriation in Laws 2003, Chapter 267.

OTHER ISSUES FOR LEGISLATIVE CONSIDERATION

Payment Deferral

The Baseline includes \$62,153,100 from the General Fund for FY 2014 payments that were deferred until FY 2015 and would include a FY 2015 General Fund payment deferral of \$(62,153,100) until FY 2016. These amounts constitute a portion of a \$200,000,000 university-wide payment deferral. The payment deferral is unchanged from FY 2011. (Please see ABOR for more information.)

The FY 2015 General Fund Baseline is \$208,501,000. Of this amount:

- \$132,094,900 would be included in UA - Main individual section of the FY 2015 General Appropriation Act.
- \$62,153,100 was appropriated in the FY 2014 General Appropriation Act (Laws 2013, 1st Special Session, Chapter 1) to reflect the deferral of FY 2014 monies to FY 2015.
- \$14,253,000 was appropriated in Laws 2003, Chapter 267 for a lease-purchase payment.

SUMMARY OF FUNDS	FY 2013 Actual	FY 2014 Estimate
Auxiliary Fund (UNI8906/A.R.S. § 15-1601)		Non-Appropriated
Source of Revenue: Sales revenues of substantially self-supporting university services.		
Purpose of Fund: To provide university-related non-academic services for students, faculty, staff, and the public. Auxiliary enterprises include student housing, bookstores, student unions, and intercollegiate athletics.		
Funds Expended	198,406,700	211,793,600
Year-End Fund Balance	23,077,300	19,976,200
Designated Fund (UNI8905/A.R.S. § 15-1601)		Non-Appropriated
Source of Revenue: Retained tuition and fees, summer session fees, student aid administrative allowances, and unrestricted gifts and grants.		
Purpose of Fund: To provide and administer student financial aid, to pay debt service on university bonds, and to run summer and winter session programs. The university designates monies in the fund into sub-accounts for specific purposes. Indirect Cost Recovery, a Designated Fund sub-account, is presented separately.		
Funds Expended	492,951,900	500,583,200
Year-End Fund Balance	184,477,000	151,565,700
Endowment and Life Income Fund (UNI8904/A.R.S. § 15-1601)		Non-Appropriated
Source of Revenue: Interest income on invested endowment and life income gifts, a portion of financial aid trust fees assessed to students, and a portion of university trust land earnings.		
Purpose of Fund: To support endowment operations and compensate designated beneficiaries.		
Funds Expended	0	0
Year-End Fund Balance	144,729,200	153,610,800
Federal Grants (UNI8903/A.R.S. § 15-1666)		Non-Appropriated
Source of Revenue: Federal grants and contracts.		
Purpose of Fund: To support specific operating and research purposes as identified by the federal government.		
Funds Expended	227,965,300	239,556,700
Year-End Fund Balance	36,838,700	21,917,400
Federal Indirect Cost Recovery Fund (UNI8902/A.R.S. § 15-1601)		Non-Appropriated
Source of Revenue: Federally-sponsored research programs.		
Purpose of Fund: To assist and promote federally sponsored research.		
Funds Expended	50,842,500	50,842,500
Year-End Fund Balance	0	0
Indirect Cost Recovery Fund (Non-Federal) (UNI8900/A.R.S. § 15-1601)		Non-Appropriated
Source of Revenue: Non-federally sponsored research programs.		
Purpose of Fund: To assist and promote non-federally sponsored research.		
Funds Expended	8,613,100	8,613,100
Year-End Fund Balance	0	0
Loan Fund (UNI8901/A.R.S. § 15-1601)		Non-Appropriated
Source of Revenue: Interest on federal student loans and reimbursements from federal loan forgiveness programs.		
Purpose of Fund: To provide one-third of the amount of federal student loans. The federal government provides the other two-thirds. The amounts displayed do not include an administrative allowance, which is reflected in the Designated Fund.		
Funds Expended	1,109,300	1,143,700
Year-End Fund Balance	21,288,100	22,244,400

SUMMARY OF FUNDS	FY 2013 Actual	FY 2014 Estimate
Restricted Fund (Excluding Federal Funds) (UNI8907/A.R.S. § 15-1601)		Non-Appropriated
Source of Revenue: Private and non-federal grants, including non-appropriated Technology and Research Initiative Fund grants (<i>please see the ABOR Summary of Funds</i>), as well as a portion of financial aid trust fees assessed to students.		
Purpose of Fund: To support specific operating and research purposes as identified by the private or non-federal donating entities.		
Funds Expended	151,567,700	155,271,000
Year-End Fund Balance*	(7,436,400)	1,872,500
University Capital Improvement Lease-to-Own and Bond Fund (BRA3042/A.R.S. § 15-1682.03)		Non-Appropriated
Source of Revenue: University system revenues.		
Purpose of Fund: To pay annual debt service payments for the \$800,000,000 university Lottery bonding package. Lottery bond debt service is paid with no more than 80% Lottery revenues and at least 20% state university system revenues. (<i>Please see the Capital Outlay ABOR Building System narrative for more information.</i>)		
Funds Expended	1,617,600	2,353,200
Year-End Fund Balance	0	0
University Collections Fund (UAA1402/A.R.S. § 15-1626)		Appropriated
Source of Revenue: Tuition and registration fees, as well as a portion of university trust land earnings.		
Purpose of Fund: To operate the university.		
Funds Expended	267,677,300	271,507,700
Year-End Fund Balance	0	0

*As reported by the agency. Actual ending balance will not be negative.